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**APPROVED MINUTES
COMMISSION SPECIAL MEETING MAY 12, 2015**

The Port of Seattle Commission met in a special meeting Tuesday, May 12, 2015, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, Bryant, and Creighton were present. Commissioner Gregoire was absent for health reasons.

1. CALL TO ORDER

The meeting was called to order at 9:04 a.m. by Commission Co-President Stephanie Bowman.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The public meeting was immediately recessed to an executive session estimated to last 60 minutes to discuss one matter relating to potential litigation and legal risk, and one matter related to national security. Following the executive session, which lasted approximately 20 minutes, the public meeting reconvened at 10:05 a.m. Commissioner Bowman led the flag salute.

A recording of this part of the meeting has been made available online.

3. SPECIAL ORDERS OF BUSINESS

3a. 2015 Cruise Season.

Presentation document(s) included a Commission agenda [memorandum](#) and presentation [slides](#).

Presenter(s): Mike McLaughlin, Director, Cruise and Maritime Operations, and Tom Norwalk, Visit Seattle.

There was a presentation on the status of cruise business operated from Port facilities and efforts to improve this line of business, particularly through the work of Visit Seattle and international tourism promotion efforts. Commissioners opined on increased service to nearby destinations and requested clarification about countries of origination and future potential and trends for the cruise industry.

A recording of this part of the meeting has been made available online.

3b. Seaport Alliance Update.

Presenter(s): Kurt Beckett, Deputy CEO.

Commissioners received an update on formation of the Northwest Seaport Alliance with the Port of Tacoma. Outreach efforts and upcoming votes to continue the process of establishing the alliance were described.

A recording of this part of the meeting has been made available online.

4. UNANIMOUS CONSENT CALENDAR

[Clerk's Note: Items on the Unanimous Consent Calendar are considered routine and are not individually discussed. Port Commissioners receive the request documents prior to the meeting and may remove items from the Consent Calendar for separate discussion and vote in accordance with Commission bylaws.]

Upon request, agenda item 4a was removed from the agenda prior to convening, and agenda item 4f was removed from the Unanimous Consent Calendar for separate discussion and vote.

4a. Removed from the agenda prior to convening

4b. Approval of the [Claims and Obligations](#) for the period April 1-April 30, in the amount of \$45,027,110.82 including accounts payable check nos. 903502-904160 in the amount of \$37,062,156.72 and payroll check nos. P-179602-179759 in the amount of \$7,964,954.10 for a fund total of \$45,027,110.82.

4c. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local Union No. 117 covering the Port of Seattle Police Department Non-Sworn Supervisors. This contract has a three-year term from January 1, 2014 – December 31, 2016.

Request document(s) included a Commission agenda [memorandum](#) and collective bargaining [agreement](#).

4d. Authorization for the Chief Executive Officer to execute two indefinite delivery, indefinite quantity contracts for a third party commissioning agent with a total maximum value of \$4 million for the Port of Seattle.

Request document(s) included a Commission agenda [memorandum](#).

4e. Authorization for the Chief Executive Officer to advertise, bid, and execute a major works construction contract for the Domestic Piping Branch Replacement project at Seattle-Tacoma International Airport. This authorization is for \$1,392,000 of a total estimated project cost of \$1,950,000. (CIP #800657).

Request document(s) included a Commission agenda [memorandum](#) and presentation [slides](#).

As noted above, agenda item 4f was temporarily postponed.

- 4g. Authorization for the Chief Executive Officer to (1) authorize Port staff to proceed with the Employee Performance Management System project and (2) authorize the procurement of required hardware, software, maintenance support, and vendor services for a total project cost not to exceed \$400,000. (CIP #C800763).**

Request document(s) included a Commission agenda [memorandum](#).

The motion for approval of consent items 4b, 4c, 4d, 4e, and 4g carried by the following vote:

In favor: Albro, Bowman, Bryant, Creighton, (4)

Absent for the vote: Gregoire

As noted above, agenda items 4a and 4f were removed from the Consent Agenda prior to the vote.

A recording of this part of the meeting has been made available online.

ITEMS REMOVED FROM CONSENT

Without objection, the Commission advanced to consideration of the following agenda item(s) removed from the Unanimous Consent Calendar –

- 4f. Authorization for the Chief Executive Officer to execute an amendment to agreement (P-00317562) with KPFF Consulting Engineers for professional design services on the Terminal 46 Lease Improvements Project to increase the agreement by \$2,000,000 to a total amount not to exceed \$4,000,000. No funding is requested to amend this agreement as funds have been previously authorized in the Terminal 46 Lease Amendment program budget. (CIP #C102554).**

Request document(s) included a Commission agenda [memorandum](#).

Presenter(s): Ralph Graves, Director, Capital Development; Linda Styrk, Director, Seaport Division; and Ticson Mach, Capital Project Manager, Seaport Project Management Group.

Commissioners received a presentation on the phased approach to the stormwater improvements at Terminal 46 and plans to proceed with additional phased work pursuant to the proposed contract amendment. It was noted that grant funding will offset some of the project cost and that additional project funding is expected to be requested later at the beginning of the construction phase. Commissioners requested clarification about the contract and project increases and the overall status of the project.

The motion for approval of agenda item 4f carried by the following vote:

In favor: Albro, Bowman, Bryant, Creighton (4)

Absent for the vote: Gregoire

A recording of this part of the meeting has been made available online.

Following consideration of agenda item 4f, the Commission returned to consideration of –

5. PUBLIC TESTIMONY

Public comment was received from the following individual(s):

- Fred Felleman, Northwest Consultant for Friends of the Earth, regarding environmental impacts of the cruise business.
- Samatar Guled, SeaTac, regarding the ability of for-hire vehicles to pick up passengers at Port cruise terminals.

A recording of this part of the meeting has been made available online.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6a. Request for (1) Second Reading and Final Passage of Resolution No. 3708: A Resolution of the Port Commission of the Port of Seattle, (i) amending Unit 20 of the Comprehensive Scheme of Harbor Improvements of the Port of Seattle by declaring certain real property surplus and no longer needed for Port of Seattle district purposes, deleting it from the Comprehensive Scheme, and authorizing the Chief Executive Officer to execute all documents necessary to transfer title of the property to the State of Washington Department of Transportation; and (ii) further amending Unit 20 of the Comprehensive Scheme to add certain real property conveyed to the Port by the State of Washington Department of Transportation and (2) authorization for the Chief Executive Officer to execute all documents necessary to (i) accept the transfer of state surplus property to the Port and (ii) release certain property to the Port's right of first refusal to purchase certain property in the Washington Department of Transportation project area. The Port will receive financial consideration in the form of cash payment, real estate, and in-kind road improvements valued at \$434,000.**

Request document(s) included a Commission agenda [memorandum](#) and draft [resolution](#).

[Clerk's Note: First Reading of Resolution No. 3708 was approved on April 28, 2015.]

The motion for Second Reading and Final Passage of [Resolution No. 3708](#) (agenda item 6a) carried by the following vote:

In favor: Albro, Bowman, Bryant, Creighton (4)

Absent for the vote: Gregoire

A recording of this part of the meeting has been made available online.

- 6b. Second Reading and Final Passage of Resolution No. 3704: A Resolution of the Port of Seattle Commission repealing portions of Resolution No. 3605, as amended, and adopting the General Delegation of Authority from the Port Commission to the Chief Executive Officer.**

Request document(s) included a Commission agenda [memorandum](#), draft [resolution](#), and [attachment](#).

Presenter(s): Lindsay Wolpa, Commission Policy Manager.

[Clerk's Note: First Reading of Resolution No. 3704 was approved on April 12, 2015.]

The motion for Second Reading and Final Passage of [Resolution No. 3704](#) (agenda item 6b) carried by the following vote:

In favor: Albro, Bowman, Bryant, Creighton, (4)

Absent for the vote: Gregoire

A recording of this part of the meeting has been made available online.

6c. Adoption of a motion establishing the Projects and Procurement Policy Committee that will create policy directives codified into the new General Delegation of Authority from the Port Commission to the Chief Executive Officer.

Request document(s) included a Commission agenda [memorandum](#) and [text of the motion](#).

Presenter(s): Tom Barnard, Commission Policy Analyst.

RECESSED AND RECONVENED

The meeting was recessed at 11:00 a.m. to address a technical difficulty and was reconvened at 11:01 a.m., chaired by Commissioner Bowman. Consideration of agenda item 6c resumed.

The process for amending the current General Delegation of Authority, including the contributing work of committees with specific policy focus, such as for projects and procurement, was described. Stakeholder outreach and public comment opportunities were described.

The motion reads as follows:

The Commission hereby establishes the Projects and Procurements Policy Committee to oversee the development of Policy Directives called for in the Port of Seattle Commission's Responsibility and Authority and Delegation to the CEO (General Delegation.) The Projects and Procurement Policy Committee shall be governed by two Commissioners to be chosen by Commission Co-Presidents and senior executives to be approved by the CEO. This group will be responsible for coordinating efforts to engage subject matter experts as appropriate.

The objective of the Projects and Procurement Policy Committee is to develop policies for consideration and possible adoption by the Port Commission that guide staff in project management, construction contracting, and all procurements by the Port. These include, but are not necessarily limited to, operating purchases, ongoing service agreements, and all elements of capital projects.

The committee will develop policy recommendations that weigh the trade-offs between efficiency, cost effectiveness, oversight, and other Port values, such as small and Women and Disadvantaged Business Enterprise (W/DBE) participation. The

recommendations will specifically identify appropriate spending authority and the other auditable standards within the policies.

The motion for approval of agenda item 6c as described above carried by the following vote:

In favor: Albro, Bowman, Bryant, Creighton (4)

Absent for the vote: Gregoire

A recording of this part of the meeting has been made available online.

7. STAFF BRIEFINGS

7a. 2016 Business Plan and Budget Process Briefing.

Presentation document(s) included a Commission agenda [memorandum](#) and presentation [slides](#).

Presenter(s): Dan Thomas, Chief Financial Officer, and Michael Tong, Corporate Budget Manager.

Commissioners were provided a preview of the schedule for the 2016 budget briefing and authorization process. Commissioners provided direction on the scheduling of the budget for the Economic Development Division, which is a newly formed division with a newly hired director. Clarification was requested regarding the relationship of the budget process and salary and benefit resolution adoption. Commissioners also requested clarification on incorporation of Seaport Alliance and gender equity considerations for the 2016 budget.

A recording of this part of the meeting has been made available online.

7b. Legislative Update for May 12, 2015.

Presenter(s): Clare Gallagher, State Government Relations Manager, Public Affairs.

Commissioners received a briefing on federal, state, and local legislative matters being tracked or advocated for by Port staff and consultants. Commissioners requested clarification on a number of subjects, including air traffic control costs for small airports, City of Seattle heavy-haul corridor legislation and funding, and environmental review for a new sports arena in the SoDo neighborhood in the Lower Duwamish Manufacturing and Industrial Center.

A recording of this part of the meeting has been made available online.

7c. Airport Dining & Retail New Lease Opportunity Outreach Event.

Presenter(s): Deanna Zachrisson, Business Leader, Airport Dining & Retail.

Commissioners were updated on recent leasing outreach opportunities for the Airport Dining and Retail program, which is undergoing a major lease transition. Commissioners asked for clarification and provided direction on encouraging broad participation in the events.

A recording of this part of the meeting has been made available online.

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8. **ADDITIONAL NEW BUSINESS** – None.

9. **ADJOURNMENT**

There was no further business, and the meeting adjourned at 11:45 a.m.

Tom Albro
Secretary

Minutes approved: December 8, 2015.